

Note: the names of individuals and dealerships have been changed to fictitious names.

Note: the references to Title 15 offenses with respect to odometer tampering were included only because the offenses charged in this indictment spanned the period before and after 1994 when odometer tampering was moved from Title 15, U.S.C., to Title 49. Do not refer to Title 15 except with respect to 1994 or earlier.

UNITED STATES DISTRICT COURT
FOR THE CENTRAL DISTRICT OF CALIFORNIA

October 1996 Grand Jury

UNITED STATES OF AMERICA,)	
	)	CR 97-_____
Plaintiff,)	
v.	)	<u>I N D I C T M E N T</u>
)	
CHARLES CLOCKER II, a/k/a	)	[18 U.S.C. § 371: Conspiracy;
as James Jackson and	)	15 U.S.C. §§ 1984, 1990c
Charles Ofter II,	)	[recodified, 7/5/94, at 49
GEORGE B. CLOCKER, and	)	U.S.C. §§ 32703(2) and
CHARLES CLOCKER III,	)	32709(b)]: Odometer Tampering;
	)	18 U.S.C. § 513: Securities
	)	Fraud; 18 U.S.C. § 2314:
Defendants.	)	Interstate Transportation of
	)	Falsely Made Securities; 18
	)	U.S.C. 2312: Interstate
	)	Transportation of Stolen
	)	Vehicles; 18 U.S.C. §
	)	1956(a)(1)(B)(i): Money
	)	Laundrying; 18 U.S.C. § 1957:
	)	Money Laundrying; 18 U.S.C. §
	)	982: Asset Forfeiture; 18
	)	U.S.C. § 2: Aiding and
	)	Abetting.]

The Grand Jury Charges:

COUNT ONE

[18 U.S.C. § 371]

INTRODUCTION

At times relevant to this indictment:

1 1. Defendant CHARLES CLOCKER II, operating out of Los
2 Angeles, Orange, and Riverside Counties, California, and
3 elsewhere, bought, sold, and retitled used cars using several
4 business names, including Moonglo Auto Sales, Moonglo Leasing,
5 Dollar Leasing, Dollar Rental and Leasing, National Rental and
6 Leasing, Enterprise Leasing, Alemo Leasing, Alemo Auto Sales,
7 Alimo Fleet Services, Executive Honda, Executive West Leasing,
8 GELCO Fleet Lease Services, Dunn Leasing, Dunn Lease Services,
9 and Bell Seventh Limited. These businesses were purported to be
10 in Arizona, Arkansas, and California. Defendant CHARLES CLOCKER
11 II also conducted business as James Jackson and Charles Ofter II.

12 2. Defendant GEORGE B. CLOCKER, operating out of Los
13 Angeles, Orange, and Riverside Counties, California, did business
14 under the names of Moonglo Auto Sales, Moonglo Leasing, Dollar
15 Leasing, Dollar Rental and Leasing, National Rental and Leasing,
16 Enterprise Leasing, Alemo Leasing, Alemo Auto Sales, Alimo Fleet
17 Services, Executive Honda, Executive West Leasing, GELCO Fleet
18 Lease Services, Dunn Leasing, Dunn Lease Services, and Bell
19 Seventh Limited. These businesses were purported to be in
20 Arizona, Arkansas, and California.

21 3. As used in this indictment, the following vehicle
22 numbers refer to the vehicles identified below:

<u>Vehicle No.</u>	<u>Year/Make</u>	<u>Vehicle Identification Number</u>
1	1992 Ford	xxxxxxxxxxxxxxxxxxxx
2	1991 Ford	xxxxxxxxxxxxxxxxxxxx

1	3	1992 Ford	XXXXXXXXXXXXXXXXXXXX
2	4	1992 Ford	XXXXXXXXXXXXXXXXXXXX
3	5	1992 Dodge	XXXXXXXXXXXXXXXXXXXX
4	6	1994 Ford	XXXXXXXXXXXXXXXXXXXX
5	7	1993 Lincoln	XXXXXXXXXXXXXXXXXXXX
6	8	1993 Lincoln	XXXXXXXXXXXXXXXXXXXX
7	9	1994 Mercury	XXXXXXXXXXXXXXXXXXXX
8	10	1994 Lincoln	XXXXXXXXXXXXXXXXXXXX
9	11	1994 Pontiac	XXXXXXXXXXXXXXXXXXXX
10	12	1993 Nissan	XXXXXXXXXXXXXXXXXXXX
11	13	1994 Dodge	XXXXXXXXXXXXXXXXXXXX
12	14	1994 Ford	XXXXXXXXXXXXXXXXXXXX
13	15	1993 Buick	XXXXXXXXXXXXXXXXXXXX

14 THE OBJECTS OF THE CONSPIRACY

15 4. Beginning at a time unknown to the Grand Jury, but at
16 least as early as January 1993, and continuing through at least
17 April 1997, within the Central District of California and
18 elsewhere, defendants CHARLES CLOCKER II, GEORGE B. CLOCKER, and
19 others, known and unknown to the Grand Jury, did knowingly agree,
20 combine, and conspire among themselves to commit the following
21 offenses against the United States:

22 (a) to knowingly and willfully reset and alter, and
23 cause to be reset and altered, the odometers of used motor
24 vehicles, with the intent to change the number of miles indicated
25 on those odometers, in violation of Title 15, United States Code,

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1 Sections 1984 and 1990c, and Title 49, United States Code,
2 Sections 32703(2) and 32709(b) [as recodified and reworded
3 effective July 5, 1994]; and

4 (b) to knowingly make, utter, and possess forged
5 securities of a State - that is, motor vehicle certificates of
6 title - with the intent to deceive other persons, organizations,
7 and governments, in violation of Title 18, United States Code,
8 Section 513.

9 THE MEANS OF THE CONSPIRACY

10 5. Defendant CHARLES CLOCKER II, GEORGE B. CLOCKER, and
11 others purchased used motor vehicles, caused the odometers of
12 those vehicles to be rolled back to lower mileage figures, and
13 resold the vehicles to buyers in California, Arizona, New Mexico,
14 Nevada, Utah, and elsewhere, falsely representing to the buyers
15 that the low-mileage readings then showing on the vehicles'
16 odometers were the vehicles' correct mileage readings.

17 6. Defendants CHARLES CLOCKER II, GEORGE B. CLOCKER, and
18 others obtained new and duplicate titles for these vehicles from
19 the State of California Department of Motor Vehicles, the State
20 of Arizona Department of Public Safety, Division of Motor
21 Vehicles, and the State of Arkansas Department of Finance and
22 Administration, Office of Motor Vehicle. The defendants and
23 others used these new titles to hide from subsequent purchasers
24 the true high mileage of the vehicles the defendants sold.

1 7. Based upon the false and fraudulent actions and
2 misrepresentations of defendants CHARLES CLOCKER II, GEORGE B.
3 CLOCKER, and others, both the immediate and subsequent buyers,
4 including ultimate consumers, of numerous vehicles paid more for
5 the vehicles than they would have paid if they had known the
6 vehicles' correct mileage readings.

OVERT ACTS

8. In furtherance of the conspiracy, and to effect the objects and purposes thereof, the following overt acts, among others, were committed within the Central District of California and elsewhere:

(a) In or about January 1993, defendant CHARLES CLOCKER II opened a bank account in xxxxxxxx, California, under the name of National Auto Repair Rental and Lease.

(b) On or about December 14, 1993, defendant CHARLES CLOCKER II, doing business as Moonglo Auto Sales, purchased Vehicle Number 1 through a wholesale automobile auction in Rosemead, California with 56,884 miles on the odometer.

(c) On or about January 13, 1994, defendant CHARLES CLOCKER II, doing business as National Rental & Leasing, sold Vehicle Number 1, and falsely represented at that time that the mileage was 25,661 miles.

(d) On or about January 13, 1994, defendant CHARLES CLOCKER II deposited the proceeds from the sale of Vehicle No. 1 into the National Auto Repair Rental and Lease bank account.

(e) On or about March 30, 1994, defendants CHARLES CLOCKER II and GEORGE B. CLOCKER caused a bank account in the name of Enterprise Leasing to be opened at a bank in xxxxxxxxxx, California.

(f) On or about September 1, 1994, defendant CHARLES CLOCKER II, doing business as Moonglo Auto Sales, purchased

1 Vehicle No. 2 through an auto auction in Fontana, California,
2 with 111,287 miles on the odometer.

3 (g) On or about September 22, 1994, defendant CHARLES
4 CLOCKER II, doing business as Enterprise Leasing, sold Vehicle
5 No. 2 to a dealership in Reno, Nevada, and falsely represented
6 that the vehicle's true mileage was 44,538 miles.

7 (h) On or about February 10, 1995, defendant CHARLES
8 CLOCKER II, doing business as Dollar Leasing, sold Vehicle No. 3
9 to an individual in Los Angeles and falsely represented that the
10 vehicle's true mileage was 33,599 miles, when in truth and in
11 fact the vehicle's actual mileage was at least 82,279 miles.

12 (i) On or about April 25, 1995, defendant CHARLES CLOCKER
13 II, doing business as Dollar Leasing, sold Vehicle No. 4 to a
14 dealership in Sepulveda, California, and prepared a purchase
15 order for that dealership that falsely represented that the
16 vehicle had mileage of 34,956 miles, when in truth and in fact
17 the vehicle's actual mileage was at least 100,880 miles.

18 (j) On or about May 24, 1995, defendant CHARLES CLOCKER II,
19 doing business as Dollar Rent and Lease, purchased Vehicle No. 5
20 from an automobile broker in Tustin, California, with mileage of
21 151,024 miles.

22 (k) On or about August 30, 1995, defendant CHARLES CLOCKER
23 II flew from Los Angeles, California, to Oakland, California,
24 and, doing business as Moonglo Leasing, directed the purchase of
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1 Vehicle No. 8 at a wholesale automobile auction in Hayward,
2 California.

3 (l) Between on or about December 6, 1995, and on or about
4 December 13, 1995, defendant CHARLES CLOCKER II altered the
5 Indiana title of Vehicle No. 11 from 92,384 miles, to 12,381
6 miles.

7 (m) On or about December 19, 1995, defendant CHARLES
8 CLOCKER II, doing business as Alimo Fleet Services, attempted to
9 sell Vehicle No. 10 to a dealership in Mesa, Arizona, and falsely
10 represented that the vehicle had mileage of 15,009 miles, when in
11 truth and in fact the vehicle's actual mileage was at least
12 41,462 miles.

13 (n) On or about April 30, 1996, doing business as GELCO
14 Fleet Lease Services, defendant GEORGE B. CLOCKER delivered
15 Vehicle No. 12 and a falsely made Arizona certificate of title
16 for Vehicle No. 12 to a dealership in Phoenix, Arizona, and
17 received in exchange a \$19,000 check from the dealership.

18 (o) On or about September 13, 1996, doing business as
19 Moonglo Auto Sales, defendant GEORGE B. CLOCKER ordered through a
20 dealership in Cerritos, California, and received from an
21 electronic parts distributor in Fullerton, California, an
22 instrument cluster that falsely reflected an odometer reading of
23 35,632 miles, which was later installed in Vehicle No. 14.

24 (p) On or about September 16, 1996, doing business as Dunn
25 Leasing, defendant CHARLES CLOCKER II, dropped off for service
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1 work at a dealership in Anaheim, California, Vehicle No. 14, and
2 falsely represented that the vehicle had mileage of 35,650 miles,
3 when in truth and in fact the mileage was at least 85,632 miles.

4 (q) On or about October 16, 1996, doing business as Moonglo
5 Auto Sales, defendant CHARLES CLOCKER II purchased for \$7,500
6 Vehicle No. 15 at an automobile dealership in Buena Park,
7 California, with mileage of 79,752 miles.

8 (r) On or about April 16, 1997, defendant CHARLES CLOCKER
9 II sold Vehicle No. 15 to an individual in Orange, California,
10 and falsely represented that the vehicle had mileage of 39,552
11 miles, when in truth and in fact the mileage was at least 79,752
12 miles.

COUNTS TWO THROUGH TEN

[49 U.S.C. §§ 32703(2) and 32709(b) and 18 U.S.C. § 2]

9. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 through 3 of this Indictment.

10. On or about the dates listed below, in the Central District of California, defendants CHARLES CLOCKER II and GEORGE B. CLOCKER, did knowingly and willfully reset and alter, and cause to be reset and altered, the odometers of the motor vehicles listed below from the approximate high mileages to the approximate low mileages listed below, with the intent to change the number of miles indicated on said odometers:

<u>Count</u>	<u>Date</u>	<u>Vehicle No.</u>	<u>High Mileage</u>	<u>Low Mileage</u>
2	09/01/94	2	111,287	44,538
3	11/17/94	3	82,279	33,599
4	03/16/95	4	100,880	34,455
5	05/24/95	5	151,024	43,858
6	06/15/95	6	79,418	21,032
7	03/26/96	12	72,051	23,658
8	08/09/96	13	100,666	27,013
9	08/29/96	14	85,632	35,657
10	10/16/96	15	79,752	39,552

COUNTS ELEVEN THROUGH TWENTY-ONE

[18 U.S.C. §§ 513 and 2]

11. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 through 3 of this Indictment.

12. On or about the dates listed below, within the Central District of California, defendant CHARLES CLOCKER II did knowingly make, utter, and possess, and cause to be made, uttered, and possessed, forged and counterfeited securities of the State of California, with the intent to deceive other persons, organizations, and governments, specifically, defendant CHARLES CLOCKER II obtained from the State of California duplicate and new titles and used the newly-issued, fraudulent, State of California titles to deceive automobile dealerships and individuals regarding the vehicles' true mileages:

<u>Count</u>	<u>Date</u>	<u>Vehicle No.</u>
11	09/19/94	2
12	11/22/94	3
13	03/22/95	4
14	06/08/95	5
15	06/23/95	6
16	08/02/95	7
17	09/13/95	8
18	09/27/95	9
19	12/13/95	10
20	12/13/95	11
21	09/29/96	14

COUNTS TWENTY-TWO THROUGH TWENTY-THREE

[18 U.S.C. §§ 2314 and 2]

13. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 through 3 of this Indictment.

14. On or about the dates listed below, defendant CHARLES CLOCKER II did, with unlawful and fraudulent intent, transport and cause to be transported in interstate commerce from the Central District of California to Arizona, falsely made, forged, altered, and counterfeited securities--namely, certificates of title relating to the motor vehicles listed below--knowing the same to be falsely made, forged, altered, and counterfeited.

<u>Count</u>	<u>Date</u>	<u>Vehicle No.</u>
22	04/29/96	12
23	07/19/96	13

COUNT TWENTY-FOUR

[18 U.S.C. § 371]

15. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 and 2 of this Indictment.

16. Defendant CHARLES CLOCKER III, operating out of Los Angeles, Orange, and Riverside Counties, California, did business under the names of Dunn Leasing, Dunn Lease Services, Bell Seventh Limited, and Executive West Leasing.

17. As used in this indictment, the following vehicle numbers refer to the vehicles identified below:

<u>Vehicle No.</u>	<u>Year/Make</u>	<u>Vehicle Identification Number</u>
101	1992 Lexus	xxxxxxxxxxxxxxxxxxxx
102	1994 Lexus	xxxxxxxxxxxxxxxxxxxx
103	1994 Lexus	xxxxxxxxxxxxxxxxxxxx
104	1992 Lexus	xxxxxxxxxxxxxxxxxxxx
105	1992 Lexus	xxxxxxxxxxxxxxxxxxxx
106	1991 Lexus	xxxxxxxxxxxxxxxxxxxx
107	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx
108	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx
109	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx
110	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx
111	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx
112	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx
113	1994 Lincoln	xxxxxxxxxxxxxxxxxxxx

114	1994 Chrysler	xxxxxxxxxxxxxxxxxxxxxx
115	1994 Chrysler	xxxxxxxxxxxxxxxxxxxxxx
116	1995 Jeep	xxxxxxxxxxxxxxxxxxxxxx
117	1994 Toyota	xxxxxxxxxxxxxxxxxxxxxx
118	1995 Toyota	xxxxxxxxxxxxxxxxxxxxxx
119	1995 Toyota	xxxxxxxxxxxxxxxxxxxxxx
120	1995 Toyota	xxxxxxxxxxxxxxxxxxxxxx

THE OBJECTS OF THE CONSPIRACY

18. Beginning at a time unknown to the Grand Jury, but at least as early as August 1996, and continuing through at least October 1996, within the Central District of California and elsewhere, defendants CHARLES CLOCKER II, CHARLES CLOCKER III, GEORGE B. CLOCKER, and others, known and unknown to the Grand Jury, did knowingly agree, combine, and conspire among themselves to commit the following offenses against the United States:

(a) to transport and cause to be transported in interstate commerce stolen motor vehicles, knowing the motor vehicles to be stolen, in violation of Title 18, United States Code, Section 2312; and

(b) to transport and cause to be transported in interstate commerce, with unlawful and fraudulent intent, falsely made, forged, altered, and counterfeit securities -- namely, certificates of title and other motor vehicle title and ownership documents-- knowing the same to be falsely made, forged, altered,

1 and counterfeited, in violation of Title 18, United States Code,
2 Section 2314.

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4 THE MEANS OF THE CONSPIRACY

5 19. Defendants CHARLES CLOCKER II, CHARLES CLOCKER III,
6 GEORGE B. CLOCKER, and others established a bank account in the
7 name of a licensed Arizona automobile dealer, registered at a
8 Hayward, California wholesale automobile auction in the name of
9 the Arizona dealer (but without the dealer's permission or
10 consent), and successfully bid on twenty used motor vehicles at
11 the auction.

12 20. The vehicles were to be paid for with bank drafts. In
13 the used car business, when payment is made by bank draft, the
14 bank on which the draft is drawn obtains its customer's
15 permission before paying the draft. When asked by the
16 defendants' bank to approve the drafts for payment, defendants
17 CHARLES CLOCKER II, CHARLES CLOCKER III, GEORGE B. CLOCKER, and
18 other co-conspirators rejected the drafts, thereby withholding
19 payment for the vehicles to the auction.

20 21. Defendants CHARLES CLOCKER II, CHARLES CLOCKER III,
21 GEORGE B. CLOCKER, and others obtained fraudulent duplicate and
22 new titles for these vehicles from the State of California
23 Department of Motor Vehicles and the State of Arizona Department
24 of Public Safety, and used the new titles to sell the vehicles.

1 22. Defendants CHARLES CLOCKER II, CHARLES CLOCKER III,
2 GEORGE B. CLOCKER, and others caused the vehicles to be
3 transported and sold to automobile dealerships in Texas, Nevada,
4 and Arizona, and caused the fraudulent titles to be conveyed to
5 the dealerships.

6 23. Based upon the false and fraudulent actions and
7 misrepresentations of defendants CHARLES CLOCKER II, CHARLES
8 CLOCKER III, GEORGE B. CLOCKER, and others, the auction, the
9 bank, and automobile dealerships that purchased the vehicles, as
10 well as their insurers, lost money.

11 OVERT ACTS

12 24. In furtherance of the conspiracy, and to effect the
13 objects and purposes thereof, the following overt acts, among
14 others, were committed within the Central District of California
15 and elsewhere:

16 (a) On or about August 2, 1996, defendant CHARLES CLOCKER
17 II registered to do business at a wholesale auto auction in
18 Hayward, California, as Bell Seventh Limited.

19 (b) On or about August 6, 1996, at the direction of
20 defendant CHARLES CLOCKER II, a co-conspirator opened a bank
21 account in xxxxxxxxxx, California, in the name of xxxxxxxxxx
22 Limited.

23 (c) On or about September 16, 1996, at the direction of
24 defendant CHARLES CLOCKER II, a co-conspirator notified a private
25 mail box facility in Phoenix, Arizona, that mail would be sent to
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1 the facility in the business names of xxxxxxxxxxxx Limited,
2 Executive Leasing, and Executive West Leasing.

3 (d) On or about September 16, 1996, defendant GEORGE B.
4 CLOCKER drove a co-conspirator from southern California to
5 Phoenix, Arizona, where the co-conspirator attempted to obtain an
6 Arizona identification card in a false name.

7 (e) On or about September 17, 1996, defendant CHARLES
8 CLOCKER II traveled with a co-conspirator from southern
9 California to Phoenix, Arizona, where the co-conspirator obtained
10 an Arizona identification card in a false name.

11 (f) On or about September 18, 1996, defendant CHARLES
12 CLOCKER II and a co-conspirator flew from southern California to
13 Oakland, California, to attend the Hayward, California, wholesale
14 auto auction.

15 (g) On or about September 18, 1996, doing business as
16 xxxxxxxxxxxxxxxx Limited, defendant CHARLES CLOCKER II and a co-
17 conspirator successfully bid on Vehicle Nos. 101-115 at the
18 Hayward, California auto auction.

19 (h) On or about September 18, 1996, defendants CHARLES
20 CLOCKER II, CHARLES CLOCKER III, and GEORGE B. CLOCKER, and
21 others requested registration information on Vehicle Nos. 101-115
22 from a registration service in El Monte, California.

23 (i) On or about September 19 and 20, 1996, defendant
24 CHARLES CLOCKER II and a co-conspirator ordered and received
25 rubber stamps with the following lettering: "Executive West
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1 Leasing," "Dunn Lease Services," "SLD THRU xxxxxxxxxx AUTO AUCTION
2 18758," "LEXUS FINANCIAL SERVICES LEASING," "CHRYSLER CREDIT
3 CORP.," "TOYOTA MOTOR CREDIT CORP.," and "WELLS FARGO BANK," and
4 used these stamps and others to produce false and fictitious
5 applications for titles for stolen motor vehicles.

6 (j) On or about September 19, 1996, defendants CHARLES
7 CLOCKER II, CHARLES CLOCKER III, GEORGE B. CLOCKER, and others
8 filled out applications for duplicate titles, and other paperwork
9 necessary to obtain duplicate title, for Vehicle Nos. 103, 104,
10 105, and 106.

11 (k) On or about September 20, 1996, defendants CHARLES
12 CLOCKER II, CHARLES CLOCKER III, and GEORGE B. CLOCKER caused the
13 California Department of Motor Vehicles Special Processing Unit
14 to receive applications for duplicate titles for Vehicle Nos.
15 103, 104, 105, and 106.

16 (l) On or about September 23, 1996, defendants CHARLES
17 CLOCKER II, CHARLES CLOCKER III, and GEORGE B. CLOCKER caused the
18 California Department of Motor Vehicles Special Processing Unit
19 to issue duplicate titles for Vehicle Nos. 103, 104, 105, and 106
20 in the name of Dunn Leasing.

21 (m) On or about September 25, 1996, doing business as Bell
22 Seventh Limited, defendant CHARLES CLOCKER II and a co-
23 conspirator successfully bid on Vehicle Nos. 116-120 at the
24 Hayward, California auto auction.

1 (n) On or about September 27, 1996, defendants CHARLES
2 CLOCKER II, CHARLES CLOCKER III, and GEORGE B. CLOCKER caused to
3 be delivered to an automobile dealership in Tempe, Arizona,
4 Vehicle Nos. 114 and 115.

5 (o) On or about September 30, 1996, defendants CHARLES
6 CLOCKER II, CHARLES CLOCKER III, and GEORGE B. CLOCKER caused the
7 California Department of Motor Vehicles Special Processing Unit
8 to receive applications for duplicate titles for Vehicle Nos.
9 116-120, and thereafter, on October 2, 1996, to issue duplicate
10 titles for these vehicles in the name of Executive West Leasing.

11 (p) Between October 2, 1996, and October 11, 1996, doing
12 business as Executive West Leasing, defendant GEORGE B. CLOCKER
13 and co-conspirators delivered and sold to automobile dealerships
14 in Reno, Carson City, and Las Vegas, Nevada, Vehicle Nos. 116-
15 120.

16 (q) On or about October 11, 1996, doing business as
17 Executive West Leasing, defendants CHARLES CLOCKER II, CHARLES
18 CLOCKER III, and GEORGE B. CLOCKER caused to be delivered to an
19 automobile dealership in Dallas, Texas, Vehicle Nos. 107 and 109.

COUNTS TWENTY-FIVE THROUGH TWENTY-NINE

[18 U.S.C. §§ 2314 and 2]

25. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1, 2, 16, and 17 of this Indictment.

26. On or about the dates listed below, defendants CHARLES CLOCKER II, CHARLES CLOCKER III, and GEORGE B. CLOCKER did, with unlawful and fraudulent intent, transport and cause to be transported in interstate commerce from the Central District of California to Texas, falsely made, forged, altered, and counterfeited securities--namely, certificates of title relating to the motor vehicles listed below--knowing the same to be falsely made, forged, altered, and counterfeited:

<u>Count</u>	<u>Date</u>	<u>Vehicle No.</u>
25	09/30/96	108
26	09/30/96	110
27	09/30/96	111
28	09/30/96	113
29	10/15/96	112

COUNT THIRTY

[18 U.S.C. §§ 1957 and 2]

27. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 and 3 of this Indictment.

28. On or about September 30, 1996, in the Central District of California, defendant CHARLES CLOCKER II did knowingly engage and attempt to engage in a monetary transaction by, through, and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that is, deposited a cashier's check in the amount of \$13,500 into Bank of xxxxxxxx Acct. No. xxxxxxxxxx, such property having been derived from specified unlawful activity, that is, making, uttering, and possessing a forged and counterfeited security of the State of California with the intent to deceive other persons, organizations, and governments, in violation of Title 18, United States Code, Section 513.

COUNTS THIRTY-ONE THROUGH FORTY-SEVEN

[18 U.S.C. §§ 1957 and 2]

29. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1, 3, and 17 of this Indictment.

30. On or about the dates listed below, in the Central District of California, defendant CHARLES CLOCKER II did knowingly engage and attempt to engage in monetary transactions by, through, and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that is, deposited bank and cashier's checks in the amounts listed below into the bank accounts listed below, such property having been derived from a specified unlawful activity, that is, interstate transportation of stolen vehicles, in violation of Title 18, United States Code, Section 2312:

<u>Count</u>	<u>Date</u>	<u>Amount of Transaction</u>	<u>Account No.</u>
31	09/30/96	\$ 18,500	Bank of XXXXXXXXX # XXXXXXXXXX
32	09/30/96	21,000	Bank of XXXXXXXXX # XXXXXXXXXX
33	09/30/96	21,175	XXXX XXXX Bank # XXXXXXXXXX
34	09/30/96	20,625	XXXX XXXX Bank # XXXXXXXXXX
35	10/04/96	34,500	Bank of XXXXXXXXX # XXXXXXXXXX
36	10/04/96	33,500	Bank of XXXXXXXXX # XXXXXXXXXX

1	37	10/04/96	21,500	Bank of XXXXXXXXX # XXXXXXXXXXXXX
2				
3	38	10/10/96	48,000	Bank of XXXXXXXXX # XXXXXXXXXXXXX
4	39	10/10/96	21,500	XXXX XXXX Bank # XXXXXXXXXXXXX
5				
6	40	10/10/96	19,650	XXXX XXXX Bank # XXXXXXXXXXXXX
7	41	10/10/96	19,000	XXXX XXXX Bank # XXXXXXXXXXXXX
8				
9	42	10/11/96	18,000	Bank of XXXXXXXXX # XXXXXXXXXXXXX
10	43	10/15/96	17,000	Bank of XXXXXXXXX # XXXXXXXXXXXXX
11				
12	44	10/15/96	16,500	Bank of XXXXXXXXX # XXXXXXXXXXXXX
13	45	10/15/97	18,300	XXXX XXXX Bank # XXXXXXXXXXXXX
14				
15	46	10/16/96	20,000	Bank of XXXXXXXXX # XXXXXXXXXXXXX
16	47	10/23/96	12,900	XXXX XXXX Bank # XXXXXXXXXXXXX

COUNT FORTY-EIGHT

[18 U.S.C. §§ 1957 and 2]

31. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 and 17 of this Indictment.

32. On or about October 17, 1996, in the Central District of California, defendant CHARLES CLOCKER II did knowingly engage and attempt to engage in a monetary transaction by, through, and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, that is, purchased from an automobile dealer for \$44,000 cash, a 1993 Porsche Carrera, VIN xxxxxxxxxxxxxxxxx, such property having been derived from a specified unlawful activity, that is, interstate transportation of stolen vehicles, in violation of Title 18, United States Code, Section 2312.

COUNT FORTY-NINE

[18 U.S.C. §§ 1956(a)(1)(B)(i) and 2]

33. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 and 17 of this Indictment.

34. Between on or about October 14, 1996, and on or about October 17, 1996, in the Central District of California, defendant CHARLES CLOCKER II did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, to wit, did purchase with cash and receive a title for a 1993 Buick LeSabre, VIN xxxxxxxxxxxxxxxxx, which involved the proceeds of a specified unlawful activity, that is, the interstate transportation of stolen vehicles, in violation of Title 18, United States Code, Section 2312, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction, that is, funds in the amount of \$7,500, represented the proceeds of some form of unlawful activity.

COUNT FIFTY

[18 U.S.C. §§ 1956(a)(1)(B)(i) and 2]

35. The Grand Jury repeats, realleges, and incorporates by reference each and every allegation as contained in paragraphs 1 and 17 of this Indictment.

36. Between on or about January 27, 1997, and on or about September 30, 1997, in the Central District of California, defendant CHARLES CLOCKER II did knowingly conduct and attempt to conduct a financial transaction affecting interstate and foreign commerce, to wit, did purchase a house located at xxxx xxxxxxxxxxxx Drive, xxxxxxxx, California, which involved the proceeds of a specified unlawful activity, that is, the interstate transportation of stolen vehicles, in violation of Title 18, United States Code, Section 2312, knowing that the transaction was designed in whole and in part to conceal and disguise the nature, location, source, ownership, and control of the proceeds of said specified unlawful activity and that while conducting and attempting to conduct such financial transaction knew that the property involved in the financial transaction represented the proceeds of some form of unlawful activity.

1 MONEY LAUNDERING FORFEITURE

2 [18 U.S.C. § 982(a)(1) and (a)(5)]

3 Forfeitures Relating to Counts 30 through 50

4 1. Between in or about July 1996, and on or about September
5 30, 1997, defendant CHARLES CLOCKER II did knowingly commit
6 violations of Title 18, United States Code, Sections 1956 and
7 1957, as alleged in Counts 30 through 50 of this Indictment,
8 which are incorporated by reference herein.

9 2. Pursuant to Title 18, United States Code, Section
10 982(a)(1), upon conviction for any of the offenses alleged in
11 Counts 30 through 50, the defendant shall forfeit to the United
12 States all right, title, and interest in any and all property
13 involved in said offenses, and all property traceable to such
14 property, including the following: (a) all money or other
15 property that was the subject of each transaction; (b) all
16 commissions, fees, and other property constituting proceeds
17 obtained as a result of those violations; and (c) all property
18 used in any manner or part to commit or to facilitate the
19 commission of those violations.

20 3. The United States intends to forfeit property of
21 defendant CHARLES CLOCKER II including, but not limited to, the
22 following:

23 (a) The sum of money equal to the sums involved in the
24 violations set forth in Counts 30 through 50;

25 (b) All property involved in the violations set forth in
26 Counts 30 through 50, and all property traceable thereto,
27 including but not limited to the following:

1 (i) 1993 Porsche Carrera, VIN xxxxxxxxxxxxxxxxxx; and
2 (ii) the real property known as xxxx xxxxxxxxxxxxxx
3 Drive, xxxxxxxxxxxx, California; and

4 (c) All other property of defendant CHARLES CLOCKER II, up
5 to the value of any property described in subparagraphs (a) and
6 (b) above, if by any act or omission of the defendant said
7 property, or any portion thereof, cannot be located upon the
8 exercise of due diligence; has been transferred, sold to or
9 deposited with a third party; has been placed beyond the
10 jurisdiction of the Court; has been substantially diminished in
11 value; or has been commingled with other property which cannot be
12 divided without difficulty, in which case such other property
13 shall be substituted and forfeited to the United States pursuant
14 to Title 21, United States Code, Section 853(p), as incorporated
15 by Title 18, United States Code, Section 982(b).

16 Forfeitures Relating to Count 24

17 4. Between at least as early as August 1996, and continuing
18 through at least October 1996, defendant CHARLES CLOCKER II
19 conspired to commit violations of Title 18, United States Code,
20 Section 2312, as alleged in Count 24 of this Indictment, which is
21 incorporated by reference herein.

22 5. Pursuant to Title 18, United States Code, Section
23 982(a)(5), upon conviction for the offense alleged in Count 24,
24 the defendant shall forfeit to the United States all right,
25 title, and interest in any and all property which represents or
26
27
28

1 is traceable to the gross proceeds obtained, directly or
2 indirectly, as a result of such violation.

3 6. The United States intends to forfeit property of
4 defendant CHARLES CLOCKER II including, but not limited to, the
5 following:

6 (a) The sum of money equal to the gross proceeds obtained,
7 directly or indirectly, as a result of the violation set forth in
8 Count 24; and

9 (b) All property representing the gross proceeds obtained
10 as a result of the violations set forth in Count 24, and all
11 property traceable thereto, including but not limited to the
12 following:

13 (i) 1993 Porsche Carrera, VIN xxxxxxxxxxxxxxxxxxxx; and
14 (ii) the real property known as xxxx xxxxxxxxxxxx
15 Drive, xxxxxxxxxxxx, California.

16 A TRUE BILL

17
18 _____
19 FOREPERSON

20 xxxxxxxxxxxxxxxxxxxx
21 United States Attorney
Central District of California

22 xxxxxxxxxxxxxxxxxxxx
23 Assistant United States Attorney
Chief, Criminal Division

24 xxxxxxxxxxxxxxxxxxxx
25 Trial Attorney
26 United States Department of Justice